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## **KanCare Readiness Review Process**

The State of Kansas is reforming how health care will be delivered to its most vulnerable citizens in an effort to better coordinate services, eliminate duplication and improve recipient's overall health. To help ensure system changes are implemented as efficiently and effectively as possible, the State is required per federal requirements to determine that the participating managed care organizations (MCOs) are ready to operate in the new KanCare environment.

The Kansas Department of Health and Environment (KDHE) contracted with Mercer Government Human Services Consulting (Mercer) to work with the State to assess the readiness level of the three selected KanCare MCOs – United Healthcare, Amerigroup and Sunflower (Centene). The readiness reviews consisted of a document request and desk audit followed by an onsite visit in the month of September for each MCO. The initial onsite readiness reviews occurred on the following dates: September 6–7, 2012 for United; September 13-14, 2012 for Amerigroup and September 20-21, 2012 for Sunflower. Each MCO also received a follow-up onsite visit to ensure areas identified in the first onsite review were resolved and progress was made towards meeting the State's expectations for readiness. The follow-up reviews occurred on October 4, 2012 for United Healthcare; October 11, 2012 for Amerigroup and October 16, 2012 for Sunflower and were attended by representatives from the Centers for Medicare and Medicaid Services.

In conjunction with the State, Mercer developed a readiness review tool that was used to assess each plan's readiness in four managed care operational areas: Organizational/Administration; Clinical; Financial and Systems. The readiness review tool captured each of these operational areas via the specific federal and State contractual requirements in order to determine a MCO's readiness. Examples of operational issues include whether a MCO has in place an adequate physician and provider network, an efficient and timely claims processing system and a system to respond quickly to patient and physician complaints.

More specifically, each MCO was assessed both qualitatively and quantitatively on the following operational areas:

1. Organizational/Administration
  - A. Member services
  - B. Grievance and appeals

- C. Provider network
  - D. Fraud and abuse
  - E. Administration
  - F. Organization/Delegation
- 2. Clinical
    - A. Quality management
    - B. Care management
    - C. Utilization review
  - 3. Financial
    - A. Financial reporting and monitoring
    - B. Financial solvency
  - 4. Systems
    - A. Claims management
    - B. IT and encounter data management

As part of the onsite review for each MCO, the State was provided with an overview of a member's and provider's experience once they enroll with the MCO including member/provider on-boarding, member/provider outreach and education, member/provider grievances and appeals, plans of care and care coordination, utilization management, integration of physical health, behavioral health and long term care, and claims operations. In addition, key MCO leadership in the four operational areas was interviewed to discuss in greater detail the specific proposed operational issues. If there were instances where an area or areas were not meeting federal or contractual requirements of the State, the MCO was asked to supply additional documentation to "correct" the deficiency to reach compliance. The MCOs would have at least two weeks following the onsite review to submit any supporting documents. If there were areas that required further follow-up, this was completed during the second onsite readiness review visit conducted by the State. This second onsite visit was held approximately four weeks following the first onsite readiness review.

At the conclusion of the KanCare readiness review process, each MCO had met the contractual October implementation readiness benchmark, which was defined as completing 90 percent of implementation activities. As a result, on October 19, 2012, the State determined that all three MCOs were substantially ready to implement the new KanCare program as outlined in the contract. Based on the review, United Healthcare, Amerigroup and Sunflower should be ready to begin enrolling members and providers and delivering Medicaid services upon federal approval of the State's KanCare demonstration application.

The State will continue to closely monitor the implementation progress and immediately address any issues as they arise. The State has developed a process to triage these early implementation issues by providing extra training for its staff, MCOs, new members and community partners. The State will also continue to closely monitor oversight of the MCOs compliance with the KanCare requirements on an ongoing basis. In addition, the State is establishing an interagency monitoring team with representation from both KDHE and the Kansas Department for Aging and Disability Services that has been tasked with providing ongoing oversight and monitoring all aspects of the quality management process. This team approach will enable the State to analyze trends, identify issues and prioritize opportunities for the improvement of the KanCare program. Additional requirements of the State's ongoing monitoring efforts are further outlined in the managed care contracts.